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SECOND LEASE AMENDMENT AND EXTENSION NO. 3  
BETWEEN  
THE PORT OF PORTLAND  
AND  
TRISTAR TRANSLOAD, INC.

THIS SECOND LEASE AMENDMENT AND EXTENSION NO. 3 ("Amendment No. 2") is entered into by and between the PORT OF PORTLAND, a port district of the State of Oregon (the "Port"), and TRISTAR TRANSLOAD, INC. ("Lessee").

RECITALS

A. The Port and Lessee executed a Lease of Improved Yard Space effective January 11, 1996 (Port Lease No. 96-008). The first renewal option was exercised by letter dated November 6, 1996, for the lease year commencing January 11, 1997, and the second renewal option was exercised by First Lease Amendment and Extension No. 2, dated December 23, 1997, for yard space located at Terminal 1 (the "Lease").

B. The current Lease term expires January 10, 1999, and there are no further renewal options.

C. The Port and Lessee desire to extend the Lease term for two (2) additional years through January 10, 2001, and to make other modifications to the Lease.

NOW, THEREFORE, the parties, intending to be legally bound by the terms and conditions contained in this Amendment No. 2 and in consideration of the mutual covenants set forth below, agree as follows:

AGREEMENT

1. Lease Extension: The term of the Lease ("Lease Term") shall be extended for two (2) years commencing January 11, 1999 ("Effective Date"), and continuing through January 10, 2001 ("Expiration Date"), provided, however, that either party may terminate this Lease any time after July 11, 1999, by giving the other party at least one hundred eighty (180) days prior written notice, as provided in Section 13.7 of the original Lease, without any liability for early termination. Lessee understands that the Port is planning to redevelop the Premises for another use and therefore may exercise this option. Lessee will be responsible for payment of taxes to the end of any tax year in which this Lease is terminated regardless of whether this Lease terminates on January 11, 2001, or any earlier termination date.

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2. Rent: Basic Rent for the Lease Year commencing January 11, 1999, and continuing through January 10, 2000, shall be the sum of SEVEN THOUSAND SIX HUNDRED FORTY-FIVE DOLLARS (\$7,645) per month. Basic Rent for the Lease Year beginning January 11, 2000, and continuing through January 10, 2001, shall be the sum of EIGHT THOUSAND DOLLARS (\$8,000) per month.

3. Security Deposit: The amount of the Security Deposit shall be FIFTEEN THOUSAND TWO HUNDRED NINETY DOLLARS (\$15,290). The Security Deposit shall continue to be cash deposited with the Port. The excess Security Deposit currently held by the Port in the amount of \$4,015 shall be refunded to Lessee within thirty (30) days of the effective date of this Amendment No. 2.

4. Renewal Option: Section 2.2 of the Original Lease shall be deleted in its entirety.

5. Savings Clause: Except as expressly modified by this Amendment No. 2, the Lease shall remain in full force and effect according to its terms.

6. No Default: This Amendment No. 2 shall be effective as of the date written above, provided that Lessee is not in default of its Lease with the Port at any time during the thirty (30) calendar days preceding the Effective Date.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 2 on this 17th day of October (aka November), 1998.

TRISTAR TRANSLOAD, INC.

By: [Signature]

Title: President

THE PORT OF PORTLAND

By: [Signature]

Mike Thorne, Executive Director

APPROVED AS TO LEGAL  
SUFFICIENCY FOR THE PORT

By: [Signature]

Counsel for the Port of Portland